

## Conservative Bonds Which Still Yield Liberal Income

The steady advance in the market for bonds and the consequent recession of yields make it increasingly difficult for many investors to select conservative issues which still yield liberal income. If you are in doubt as to your choice of such bonds, we shall be pleased to assist you in making selections, basing our recommendations upon a thorough analysis of intrinsic values and our constant contact with market conditions.

We suggest you send for Bond Circular 409

### Redmond & Co.

33 Pine Street, New York  
Philadelphia—Pittsburgh—Baltimore—Washington  
Members New York Stock Exchange

## Municipal Bonds

	DUE	TO YIELD ABOUT
*\$70,000 Albany, N. Y. 4 1/4s.....	1923-29	4.00%
*25,000 Buffalo, N. Y. 4s.....	1924-31	4.00%
*55,000 Syracuse, N. Y. 4 1/2s.....	1924-32	4.05%
*125,000 New York City 4s.....	1926	4.10%
*60,000 New York City 4s.....	1927	4.10%
*500,000 Missouri 5s.....	1930-36	4.25-4.35%
*185,000 Newark, N. J. 5 1/2s.....	1933-50	4.30%
*125,000 Lansing, Mich. 5s.....	1926-32	4.40-4.50%
*175,000 Lansing, Mich. 4 1/2s.....	1930-36	4.40%
50,000 Portland, Ore. 4 1/2s.....	1943	4.40%
125,000 Atlanta, Ga. 5s.....	1926-28	4.50%
*60,000 San Francisco, Cal. 4 1/2s.....	1933-38	4.50%
95,000 Dayton, O. Sch. Dist. 5s.....	1924-28	4.55-4.60%

\* Legal investment for Savings Banks and Trust Funds in New York State.

Complete list on request

### Estabrook & Co.

24 Broad Street  
New York  
BARTFORD  
PROVIDENCE

15 State Street  
Boston  
NEW BEDFORD  
SPRINGFIELD

## SCANDINAVIAN SECURITIES

We offer for investment

Government  
and Municipal Bonds

of the Kingdoms of

Norway Denmark  
Sweden

Ask for Descriptive Booklet H.

### HUTH & CO.

30 Pine Street, New York  
Telephone John 6214

## May we hear from you?

We will be pleased to send you a confidential analysis of any security you desire—without obligation.

### ROBERT S. ROSS INCORPORATED

56 Pine Street, New York  
Telephone John 6115

Exempt from all Federal Income Taxes

\$500,000

## City of Norfolk, Virginia

5% Public Improvement Bonds

Dated March 1, 1922 Due March 1, 1930

Interest payable March 1st and September 1st  
in New York City. Coupon Bonds:  
\$1,000 denomination.

Norfolk, Va., one of the most important seaports on the Atlantic Coast, has an assessed valuation of \$158,416,180, an actual valuation of taxable property of over \$219,000,000, a net bonded debt of \$12,715,121 and a population of 115,777.

Price to yield 4.50%

Circular on request.

### H. L. ALLEN & COMPANY

Investment Securities  
40 Wall Street New York  
Telephone John 0944

## Speculation and Investment

## Investment Securities which are not listed on an exchange

Stress has been laid on the fact that "listing" on an established stock exchange adds to the integrity of speculative securities and, as a rule, it is well for persons seeking speculative remuneration from securities to give preference to "listed" stocks.

With Investment Bonds (and Investment Preferred Stocks), however, the question of listing is not an important consideration and should not be regarded as the deciding factor either of the strength of a security or of its marketability.

## The Difference between Investment Bonds which are Listed and Those which are Not Listed on an Exchange

It has become customary to list on the New York Stock Exchange, or on some other responsible exchange, many exceptionally large issues of bonds of railroads and corporations as well as other large issues, such as United States Government loans and foreign government loans made in this country. This is done primarily to facilitate the handling of the unusually voluminous shifting of ownership which generally attends both bonds and stocks outstanding in large volume. However, smaller issues of bonds can be found listed on exchanges as well.

But it may not be assumed that all bonds outstanding in large amounts are listed for trading on an exchange or that all bonds outstanding in small amounts are not listed. No rule exists and no differentiation may be made. The fact is, the total of investment bonds which have no listing are purchased and sold regularly in a volume much greater than are listed investment bonds purchased and sold. In comparison bonds which are not listed will be found to enjoy as a whole quite as active markets as the average of listed investment bonds enjoy.

For a security to be listed on an exchange does not mean necessarily that it enjoys an active market. There are bonds listed on the largest exchanges which if offered to-day, at a price consistent with their intrinsic values, might not find a purchaser for a long time.

There are also a number of instances where railroads and corporations have outstanding at the same time both listed bonds and bonds which are not listed. The security behind both issues being virtually the same, there can be no apparent choice in the matter of stability. It might be the case that the issues not listed would be found to be more readily marketable than the listed issues, or vice versa. The point is, neither the question of listing nor the size of the issue can be said to be the determining factors of marketability.

## The "Over-the-Counter" Market for Investment Bonds

In place of listing on an exchange, a very large volume of investment bonds are dealt in on what is known as the "over-the-counter" market.

This market is maintained by the group of investment houses which were the underwriters and original distributors of the bonds, supplemented by a number of other dealers who do no underwriting but who specialize in the distribution of particular types of issues which already have been sold to the public. The market functions by reason of the re-purchasing and re-selling of these investment bonds by the various firms. These different firms purchase and offer their bonds in keen competition with the many other firms and thus a highly equitable market results. In the instance of issues of considerable size the group of investment houses which make the initial offering to the public includes firms located from coast to coast and numbering into the hundreds.

The reputable investment house supplies its customers with a ready market for the bonds it has distributed and also for those bonds with which it is familiar. It utilizes its own organization and the organizations of all other houses which are interested in the same or like issues. These organizations continually deal in a large volume of securities; they specialize in the various and numerous issues in which they become interested from year to year. In effect this amounts to a network of investment security dealers forming a natural exchange which in practice functions quite as effectively as any regularly organized exchange and furnishes a normal active market to a large group of the most attractive American investment bonds.

In a great many instances the "over-the-counter" market will be found to supply the investor with a more active market for his bonds (and at a price more commensurate with intrinsic value) than would be supplied by an exchange, if that exchange were the only avenue through which he might dispose of his holdings. There are a number of instances where listed bonds are dealt in "over-the-counter" as well.

All reputable investment firms retain a permanent interest in the securities which they underwrite and sell to their clients; such firms carefully follow the affairs of the companies whose securities they have sold and make public information concerning these companies; in the event of unusual situations arising these firms are usually the first to take steps to protect the bondholders and provide the means whereby such protection may be secured at minimum expense and at minimum trouble to the bondholders.

## Choice of Desirable Investment Securities

New investors, in fact many people who have already bought investment bonds, may well ask, "How am I to know that I am selecting bonds which best meet my particular needs?" The answer gets back to this—every individual should first make sure that he is dealing with an investment firm of established reputation and, then, that he is purchasing the type of bond which pays him a commensurate interest return and has behind it the proper balance of security.

There is no better source of information or place to seek sound investment counsel than in the office of an established investment firm of recognized integrity.

With bonds of strictly investment character there is no good reason for investors to concern themselves greatly over the possibility of finding a market for their holdings at a later date. If the bonds purchased are sound investment bonds of standard rating, if they are being dealt in by a sufficient number of dependable investment houses, there is ample ground to assume that no trouble will be experienced at any time the investor desires to realize on his holdings.

## Choosing the Responsible Investment House

The reputable investment firm seeks business on its reputation for honest dealing, its ability to give sound investment counsel and its ability to analyze the properties behind investment bonds and other securities. Thorough investigation of a dealer is the first step to the selection not only of sound investments but investments properly fitted to individual requirements.

### The Investment Bankers Association of America

Membership in the Investment Bankers Association of America is an excellent indication of an investment security dealer's responsibility. This organization numbers among its members most of the important security dealers of the country and is one of the most effective agencies we have working for the protection of investors and the fostering of a wider distribution of sound investment securities to the public.

The financial advertising columns of THE NEW YORK HERALD to-day serve as a careful guide to reputable Bond Firms and Stock Brokers. Before admission to its financial advertising columns THE NEW YORK HERALD satisfies itself as to the integrity and standing of each firm or broker.

## THE NEW YORK HERALD

The Financial Pages of The Herald are considered by many good judges to be the best Financial Pages published in New York

This is No. 4 of a series of discussions prepared by the Financial Department of THE NEW YORK HERALD, dealing with the purchase and sale of bonds, stocks and other securities and designed to repoint a few guide posts for the layman by which reliable security brokers and genuine investments in general may be identified.

## TOBEY & KIRK

Members New York Stock Exchange  
ESTABLISHED 1873

Listed and Unlisted  
Investment  
Securities

208 So. La Salle Street  
CHICAGO

25 Broad Street  
NEW YORK

## Hambleton & Co.

Established 1865

Baltimore  
Philadelphia

New York  
Washington



## PROSPERITY BONDS

Electric light and power companies had to supply 1,001,700 new customers in 1921. They are striving to keep up with this tremendous increase in demand—this permanent assurance of prosperity.

That is why their securities are favored as investments. Read "Public Utility Financing" by Martin J. Insull, Vice-President of Middle West Utilities Company, in current issue of

"BOND TOPICS"

Copy sent on Request. Ask for Pamphlet H200.

### AH Bickmore & Company

11 BROADWAY, N. Y.

Underlying First Mortgage

## RAILROAD and PUBLIC UTILITY BONDS

List of current offerings on request

### Wm Carnegie Ewen

2 Wall Street New York  
TEL. RECTOR 3275-4

## Municipal Bonds

Y	\$300,000 Chicago, Ill., 5's
	Due Jan. 1, 1925-33
	To Yield 4.75-4.50%
YJ	\$200,000 Clifton, N. J., 5's
	Due Dec. 1, 1924-60
	To Yield 4.70-4.50%
	\$100,000 Omaha, Neb., 5 1/2's
	Due May 1, 1941
	To Yield 4.50%
J	\$135,000 Lyndhurst, N. J., 5 1/2's
	Due April 1, 1928
	To Yield 5%
	\$75,000 Summit County, O., 5's
	Due Oct. 1, 1928-39
	To Yield 4.70%

Y Legal investment for Savings Banks and Trust Funds in New York  
J Legal investment for Savings Banks and Trust Funds in New Jersey

Descriptive circulars upon request

### R. M. GRANT & CO.

31 NASSAU STREET, NEW YORK  
BOSTON ST. LOUIS CHICAGO